



FOR IMMEDIATE RELEASE

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MAYOR JERRY SANDERS FACT SHEET

MAYOR APPLAUDS COUNCIL FOR APPROVING PLAN TO SAVE \$1 MILLION/YEAR IN SUPPLY COSTS

City will save money on items ranging from light bulbs to lawn mowers

San Diego Mayor Jerry Sanders applauded the City Council for approving his plan to increase the city's buying power by pooling its needs with those of other public agencies, thereby enabling the city to get better deals on hundreds of supplies.

In recent years, the city has spent roughly \$11 million annually on hundreds of items ranging from electrical equipment to janitorial and landscaping supplies. By entering into these cooperative purchasing agreements, the city will lower those costs by roughly \$1 million annually by combining its purchasing power with other public agencies in the market for the same goods.

"This initiative is just the latest example of how the city is finding creative ways to cut costs in these challenging economic times," the mayor said. "Re-engineering government was one of my top priorities when I took office and it will remain a top priority until my last day."

Instead of buying these supplies from roughly 70 different vendors, the city will enter into five-year contracts with five vendors that submitted winning bids: Graybar Electric Co., Wesco Distribution, Fastenal Co., Grainger Industrial Supply and Waxie Sanitary Supply.

These cooperative purchasing agreements will take effect July 1.

Since taking office in 2005, Mayor Sanders has taken aggressive action to reform city government. He instituted a top-down restructuring of every city department, eliminated more than 1,700 positions, implemented compensation reductions for city employees, and created a less costly pension system. In addition he negotiated a retiree healthcare reform plan that will save taxpayers more than \$700 million, making it the largest cost savings measure in city history.

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